



**House  
Legislative  
Analysis  
Section**

House Office Building, 9 South  
Lansing, Michigan 48909  
Phone: 517/373-6466

**SUSPICIOUS ACTIVITY REPORTS**

**House Bill 6372**

**Sponsor: Rep. Larry Julian**

**House Bill 6373**

**Sponsor: Rep. Clark Bisbee**

**House Bill 6374**

**Sponsor: Rep. Scott Hummel**

**House Bill 6375**

**Sponsor: Rep. William J. O'Neil**

**Committee: Insurance and Financial  
Services**

**Complete to 11-8-02**

**A SUMMARY OF HOUSE BILLS 6372-6375 AS INTRODUCED 9-24-02**

In an attempt to provide timely alerts to possible money laundering activities occurring in the state, Public Acts 183-185 and Public Act 247 were enacted to amend various banking laws to require a financial institution to file with the Department of State Police a duplicate copy of any transaction required to be filed under 31 U.S.C. 5313 to 5318 (created by the U.S.A. Patriot Act). The duplicate copy must be filed within 24 hours of when it is filed with the federal authorities. The legislation was part of the package of anti-terrorism legislation passed earlier in the year.

The bills would amend the earlier legislation to replace the requirement to file a copy of a transaction report with a requirement to file a copy of the "suspicious activity" report. This report could be filed in any manner allowed under federal law or regulation.

Further, the U.S.A. Patriot Act states that financial institutions complying with reporting requirements are not civilly liable to an account holder or member for a disclosure authorized under the federal regulations, or for failure to notify the person involved in the transaction of the disclosure or any other person. A similar provision in the recently enacted legislation specified that except for a violation of the federal reporting requirements, a financial institution, director, officer, employee, or agent of the financial institution is not liable in any civil or governmental action for the filing of a copy of the transaction report with the state police or for the failure to notify the account holder or any other person of the filing. Under the bill, the term "transaction report" would be replaced with the term "suspicious activity report."

House Bill 6372 would amend the Banking Code (MCL 487.14406). House Bill 6373 would similarly amend the Savings and Loan Act (MCL 491.1135); House Bill 6374 would amend Public Act 285 of 1925 (MCL 490.16c), which regulates credit unions; and House Bill 6375 would amend the Savings Bank Act (MCL 487.3514).

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.